


THIS AMENDMENT:		
_____ Passed _____	Passed as amended by _____	 0000113588
_____ Failed _____	Not Offered _____	

ORIGINAL

PIERCE PROPOSED AMENDMENT # 2

DATE PREPARED: June 25, 2010

COMPANY: Johnson Utilities

DOCKET NOS: WS-02987A-08-0180

OPEN MEETING DATES: June 29 & 30, 2010

AGENDA ITEM: U-18

Page 36, Line 6

DELETE line 6 through line 17 and INSERT

“We are persuaded by the evidence presented by the Company that demonstrates that including the unexpended HUFs in rate base not only creates a mismatch in rate base, but results in existing customers receiving a windfall because such customers receive a credit for HUFs paid on behalf of future customers who have not connected to the system. The Company’s collection of HUFs ensure that funds are available for new and needed capacity when construction begins. Accordingly, we will not include \$6,931,078 of unexpended HUFs in rate base.”

MAKE CONFORMING CHANGES

Arizona Corporation Commission  
**DOCKETED**  
JUN 25 2010  
DOCKETED BY *mn*

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